

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF AOL TIME WARNER
(AOL-TW/USPS-18-21)

The United States Postal Service hereby provides the responses to the following
interrogatories of AOL Time Warner: AOL-TW/USPS-18-21, filed on October 19, 2001.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Frank Heselton

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-4823 Fax -5402
November 2, 2001

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF AOL-TW**

AOL-TW/USPS-18 Please refer to the spreadsheet "Resp-AOL-TW-USPS-1-8.XLS", filed with your response to AOL-TW/USPS-1-8. Column D on worksheet "2000 – MODS" contains FY2000 work hours per 3-digit MODS code. Please explain why the numbers are not identical to the corresponding BY00 work hours listed in Table I-2B of USPS LR-J-55.

Response:

Table I-2B of USPS-LR-J-55, as its title indicates, excludes the work hours from the ISC finance numbers. The ISC costs are listed separately in Table I-1B of USPS-LR-J-55, and are used to develop the cost for the international cost pool (INTL ISC). AOL-TW/USPS-1 asked for work hours by MODS codes for LDC 11-14. Total hours (including those for the ISCs) were provided in response to that interrogatory in column D on worksheet "2000-MODS."

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AOL-TW/USPS-19 Please refer to your answers to AOL-TW/USPS-1,2,5 and 7.

- a. Please confirm that MODS codes 381 and 382 are included under LDC 15.
- b. Please provide FY2000 and FY2001 MODS workhours and, to the extent available, volumes for LDC 15, similar to the data provided in response to AOL-TW/USPS-1&2 for LDC 11-14.
- c. Do TPH volume data for the AFSM-100 MODS codes (33x) include pieces finalized through the VCS system? If yes, what causes the fairly substantial (roughly 10% in the FY2001 data) differences between TPF and TPH numbers for the AFSM-100 codes?

Response:

- a. Confirmed.
- b. Only workhours are available for LDC 15 operations. No volumes are reported.

<u>OPER</u>	<u>FY2000 Workhours</u>	<u>FY 2001 Workhours</u>
381	98,370	1,613,735
382	41,795	933,720
383	8,041	53,882
384	8,457	92,441
385	9	473
386	57	2,204
387	0	127
771	4,206	562
774	1,734	2,012
775	12,131,478	9,104,819
776	930,896	734,286
779	222,625	145,413

- c. Yes. The approximate 10 percent difference between pieces fed and pieces finalized is the amount of rejects.

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AOL-TW/USPS-20 Your response to AOL-TW/USPS-5 appears to indicate that the practice of recording AFSM-100 mail preparation hours separately under MODS code 035 was for FY2001 only and has been discontinued."

- a. Please state whether this is the case, and if it is, indicate how AFSM-100 "prepping" hours will be recorded in the future.
- b. Please provide MODS 2001 workhours for all LDC 17 MODS codes, corresponding to the BY00 workhours in Table I-2B of LR-J-55. Please include also the workhours recorded for 035 in FY2001.
- c. Was any volume data also recorded for MODS code 035 in FY2001? If yes, please provide it. Please also provide any other data that the Postal Service may have regarding the productivity (pieces per hour) of the type of work that would have been recorded under MODS code 035.
- d. If flats from bundles sorted at an SPBS were then "prepped" for the AFSM-100, at the SPBS operation, would that work have been recorded as MODS 035 or under one of the SPBS related MODS codes in FY2001?

Response:

- a) Starting day 1 of FY 2002, MODS code 035 is to be used for prepping all flats,
not just flats for the AFSM 100.
- b) See attached spreadsheet.
- c) No. Volume data for MODS code 035 was not collected in FY 2001. See
response to AOL-TW/USPS-T-39-8.
- d) Under one of the SPBS related MODS operations.

Response to AOL-TW/USPS-20(b)
MODS Hours by Cost Pools and MODS Operation Codes
LDC 17 (incl MOD 035), Excludes ISC Hours
Source: MODS file, FY 2001

MOD	NAME	MODHRS
-- LDC=17 POOL=1BULK PR --		
2	PRESORT PREF-CARRIER	147448
3	PRESORT STND-CARR/SATUR	52056
4	PRESORT PREF-3/5 DIGIT	139196
5	PRESORT STND-3/5 DIGIT/B	62405
6	PRESORT PREF-ZIP+4	23642
7	PRESORT STND-ZIP+4	4886
8	PRESORT PREF-ZIP+4 BARCO	6394
9	PRESORT STND-ZIP+4 BARCO	52482
		=====
		488509
-- LDC=17 POOL=1CANCMP --		
10	HAND CANCELLATIONS	2569831
11	MICRO MARK	328975
12	M - 36	22671
13	MARK II/HALF MARK	151779
14	FLYER	220039
15	ADV FACER CANCELLER SYS	2250138
16	FLAT CANCELLATIONS	323341
17	ALLIED LABOR CANCELLATON	2461437
18	ALLIED LABOR CANCELLATON	635655
19	ALLIED LABOR CANCELLATON	651303
20	MAIL PREPARATION-METERED	1371960
21	MAIL PREPARATION-METERED	64283
22	MAIL PREPARATION-METERED	15487
23	MAIL PREPARATION-METERED	6011
24	MAIL PREPARATION-METERED	2787
25	MAIL PREPARATION-METERED	73085
26	MAIL PREPARATION-METERED	41
27	MAIL PREPARATION-METERED	41
28	MAIL PREPARATION-METERED	52363
		=====
		11201227

Response to AOL-TW/USPS-20(b)
MODS Hours by Cost Pools and MODS Operation Codes
LDC 17 (incl MOD 035), Excludes ISC Hours
Source: MODS file, FY 2001

-- LDC=17 POOL=10PBULK --

115	OPEN UNIT-OUTGOING,BBM	1788077
116	OPEN UNIT-OUTGOING,BBM	1308174
117	OPEN UNIT-OUTGOING,BBM	1608411
185	OPEN UNIT-INCOMING,BBM	3483919
186	OPEN UNIT-INCOMING,BBM	1734096
187	OPEN UNIT-INCOMING,BBM	737760
188	OPEN UNIT-INCOMING,BBM	629438
189	OPEN UNIT-INCOMING,BBM	728029

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12017904

-- LDC=17 POOL=10PPREF --

35	PREP AFSM 100	4344082
110	OPEN UNIT-OUTGOING,PREF	6439741
111	OPEN UNIT-OUTGOING,PREF	2157356
112	OPEN UNIT-OUTGOING,PREF	2043852
113	OPEN UNIT-OUTGOING,PREF	2123250
114	OPEN UNIT-OUTGOING,PREF	1624819
180	OPEN UNIT-INCOMING,PREF	6716810
181	OPEN UNIT-INCOMING,PREF	1726388
182	OPEN UNIT-INCOMING,PREF	926337
183	OPEN UNIT-INCOMING,PREF	1218163
184	OPEN UNIT-INCOMING,PREF	1807554
343	OPENING UNIT-INT OUTBN	27787
344	OPENING UNIT-INT INBND	50315

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31206454

-- LDC=17 POOL=1PLATFRM --

210	PLATFORM LOAD/UNLOAD	12139287
211	PLATFORM LOAD/UNLOAD	3317019
212	PLATFORM LOAD/UNLOAD	2441362
213	PLATFORM LOAD/UNLOAD	2065633
214	PLATFORM LOAD/UNLOAD	1264425
215	PLATFORM LOAD/UNLOAD	1141827
216	PLATFORM LOAD/UNLOAD	516475
217	PLATFORM LOAD/UNLOAD	431926
218	PLATFORM LOAD/UNLOAD	606536
219	PLATFORM LOAD/UNLOAD	953288
220	PLATFORM LOAD/UNLOAD	522143
221	PLATFORM LOAD/UNLOAD	399251

Response to AOL-TW/USPS-20(b)
MODS Hours by Cost Pools and MODS Operation Codes
LDC 17 (incl MOD 035), Excludes ISC Hours
Source: MODS file, FY 2001

222	PLATFORM LOAD/UNLOAD	675569
223	PLATFORM LOAD/UNLOAD	206743
224	PLATFORM LOAD/UNLOAD	581688
225	PLATFORM LOAD/UNLOAD	2862756
226	PLATFORM LOAD/UNLOAD	435598
227	PLATFORM LOAD/UNLOAD	421044
228	PLATFORM LOAD/UNLOAD	664291
229	PLATFORM LOAD/UNLOAD	1824989
230	PLATFORM MISCELLANEOUS	3363303
231	PLATFORM MISCELLANEOUS	1959772
232	PLATFORM MISCELLANEOUS	1316564
233	PLATFORM MISCELLANEOUS	1864579
234	PLATFORM MISCELLANEOUS	2345590
351	PLATFORM INTERNATIONAL	30825
352	LOAD/UNLOAD AT PIERS	258
454	CODE/BILL/DISPATCH-INT	10610

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44363351

-- LDC=17 POOL=1POUCHNG --

120	POUCHING OPERATIONS	2601105
121	POUCHING OPERATIONS	1299548
122	POUCHING OPERATIONS	730346
123	POUCHING OPERATIONS	891118
124	POUCHING OPERATIONS	979936
125	POUCHING OPERATIONS	1223489
126	POUCHING OPERATIONS	777442
127	POUCHING OPERATIONS	1472395
128	POUCHING OPERATIONS	2587531
129	POUCHING OPERATIONS	1080385
208	SCAN-WHERE-YOU-BAND	1493234
209	SCAN-WHERE-YOU-BAND	186153
345	POUCHING INTERNATIONAL	48247

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15370929

-- LDC=17 POOL=1ROBOTIC --

358	ROBOTICS	70946
359	ROBOTICS	249490

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320436

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MODS Hours by Cost Pools and MODS Operation Codes
LDC 17 (incl MOD 035), Excludes ISC Hours
Source: MODS file, FY 2001

-- LDC=17 POOL=1SACKS_H --

235	MANUAL SORT-SACK/OUTSIDE	3776564
236	MANUAL SORT-SACK/OUTSIDE	1216621
237	MANUAL SORT-SACK/OUTSIDE	2089536
348	MANUAL SACK SORT-INTERN	20

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7082741

-- LDC=17 POOL=1SCAN --

64	SCANNING OPERATIONS	12608
118	ACDCS OUTGOING	1411311
119	ACDCS INCOMING	362085
350	OVERLABEL/DIRECT AO SACK	520

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1786524

123838075

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AOL-TW/USPS-21 Please refer to your response to AOL-TW/USPS-6.

- a. Can one infer that, in the AFSM-100 environment, the FSM-1000, FSM-881 and manual flats sorting operations often receive mail "prepped" in the same way that mail intended for the AFSM-100 is "prepped"?
- b. Can one infer that some of the mail preparation work that in the AFSM-100 environment is performed before the flats reach a piece sorting operation would in the past have been performed by employees at the FSM-1000, FSM-881 or manual flat sorting operations?
- c. Is it reasonable to conclude that in the AFSM-100 environment, the FSM-1000, FSM-881 and manual flat sorting operations should, other factors being equal, be able to achieve higher productivity rates than in the past, since the "prepping" work, or part of it, that clerks at these operations had to do previously now will already have been performed when they receive the flats that need to be sorted. Please explain fully.
- d. Are flats that will receive incoming secondary sorting at Associate or Function 4 offices sometimes prepared on FMC's before being dispatched from the processing plant? If yes, how often?

Response:

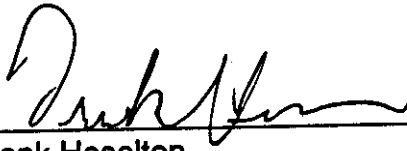
- a) Not necessarily. The FSM 881 and FSM 1000 ledge loaders do some bundle preparation but not to the extent that the mail is prepared for the AFSM 100. Mail preparation will be the same for the automated feeder on the FSM 1000 (when deployed) as the AFSM 100.
- b) Yes.
- c) No. Not all of the flats for the FSM 881 and FSM 1000 (without the AFF/OCR) will have been prepared prior to being fed to the machines. The ledge loaders will still be expected to prepare mail for the feeders. Also, as the AFSM 100s pull the machinable volumes off of the FSM 1000, the volumes left will truly be non-machinable, generally resulting in a lower productivity, all other factors equal.

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- d) No. The Flat Mail Carts are not "road worthy" and were never meant to travel over the road.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



Frank Heselton

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
November 2, 2001